INTRODUCTION

It is the responsibility of each state agency to perform its assigned functions as efficiently and effectively as possible to achieve results for lowans. As the government operations have become more complex, it has become necessary for agencies to do more services contracting. Gaining and maintaining public confidence in government, requires us to be vigilant in our efforts to insure all public funds are to obtain the best value and to achieve the desired results. Competitive bidding for service contracts is a powerful tool for garnering the highest quality professional service from service providers at the most reasonable price.

The Service Contracting *Guide* will help you apply the contracting process to best advantage when planning, soliciting, awarding and administering service contracts. By following these legal guidelines and generally accepted contracting principles, you and your agency will achieve better results and ensure against the unfortunate legal and technical pitfalls awaiting the unwary contract manager.

This Contracting *Guidebook* explains service contracting as defined in 401 IAC chapters 12 and 13, identifies the rules that apply to service contracts, and describes best contracting practices. Agencies are encouraged to establish internal processes and systems to ensure compliance with the rules governing services contracting and to take advantage of the benefits derived from using best contracting practices.

Change is an ongoing and necessary element in government contracting, and new legislation can significantly impact procurement decisions. For that reason, it is imperative that state government managers and staff keep abreast of changing requirements. This *Guidebook* is designed to help agencies with their service contracting efforts. This *Guidebook* does not establish or alter the legal requirements governing service contracting and it does not create legal rights or claims based on its

content. Although this *Guidebook* addresses legal requirements imposed by statutes and administrative rules, it is the statutes and rules, not the *Guidebook*, that impose the legal requirements. The portions of the *Guidebook*, not based on statutes or administrative rules, provide information on best practices and are meant to assist you in the contracting effort.

The Service Contracting *Guide* is a work in progress. This edition was designed to provide you with the basic information you will need to implement the service contracting component of the AGA. We anticipate refining and adding to the fundamentals found in this edition. Your comments and suggestions will be welcome input into our improvement process.